

|                          |   |                        |  |
|--------------------------|---|------------------------|--|
| SERFF Tracking Number:   | XLAM-125848113                                | State:                 | Arkansas                               |
| Filing Company:          | XL Specialty Insurance Company                | State Tracking Number: | EFT \$50                               |
| Company Tracking Number: | 08SD-DO-DO07-MU-AR                            |                        |  |
| TOI:                     | 17.0 Other Liability - Claims Made/Occurrence | Sub-TOI:               | 17.0006 Directors & Officers Liability |
| Product Name:            | Financial Services Liability Program          |                        |  |
| Project Name/Number:     | New Endorsement Filing/08SD-DO-DO07-MU-AR     |                        |  |

## Filing at a Glance

|  |                               |   |
|--|-------------------------------|---|
| Company: XL Specialty Insurance Company            |                               |   |
| Product Name: Financial Services Liability Program | SERFF Tr Num: XLAM-125848113  | State: Arkansas                           |
| TOI: 17.0 Other Liability - Claims Made/Occurrence | SERFF Status: Closed          | State Tr Num: EFT \$50                    |
| Sub-TOI: 17.0006 Directors & Officers Liability    | Co Tr Num: 08SD-DO-DO07-MU-AR | State Status: Fees verified and received  |
| Filing Type: Form                                  | Co Status:                    | Reviewer(s): Betty Montesi, Edith Roberts |
|  | Author: Trish Pollard         | Disposition Date: 10/15/2008              |
|  | Date Submitted: 10/08/2008    | Disposition Status: Approved              |
| Effective Date Requested (New): 11/15/2008         |                               | Effective Date (New):                     |
| Effective Date Requested (Renewal): 11/15/2008     |                               | Effective Date (Renewal):                 |
| State Filing Description:                          |                               |   |

## General Information

|  |                                       |
|--|---------------------------------------|
| Project Name: New Endorsement Filing   | Status of Filing in Domicile: Pending |
| Project Number: 08SD-DO-DO07-MU-AR   | Domicile Status Comments:             |
| Reference Organization:  | Reference Number:                     |
| Reference Title:   | Advisory Org. Circular:               |
| Filing Status Changed: 10/15/2008  |                                       |
| State Status Changed: 10/15/2008   | Deemer Date:                          |
| Corresponding Filing Tracking Number:  |                                       |
| Filing Description:  |                                       |
| XL Specialty Insurance Company submits for your review and approval new endorsements for use with our Financial Services Investment Fund Management Program. These endorsements were developed in order to enhance the Financial Services product. |                                       |

SERFF Tracking Number: XLAM-125848113 State: Arkansas  
Filing Company: XL Specialty Insurance Company State Tracking Number: EFT \$50  
Company Tracking Number: 08SD-DO-DO07-MU-AR  
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0006 Directors & Officers Liability  
Product Name: Financial Services Liability Program  
Project Name/Number: New Endorsement Filing/08SD-DO-DO07-MU-AR

## Company and Contact

### Filing Contact Information

Patricia Pollard, Compliance Analyst patricia.pollard@xlai.com  
1201 N. Market Street (302) 661-7010 [Phone]  
Wilmington, DE 19801 (302) 778-4190[FAX]

### Filing Company Information

XL Specialty Insurance Company CoCode: 37885 State of Domicile: Delaware  
1201 N. Market Street Group Code: 1285 Company Type:  
Suite 501  
Wilmington, DE 19801 Group Name: State ID Number:  
(800) 394-3909 ext. [Phone] FEIN Number: 85-0277191  
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## Filing Fees

Fee Required? Yes  
Fee Amount: \$50.00  
Retaliatory? No  
Fee Explanation:  
Per Company: No

| COMPANY                        | AMOUNT  | DATE PROCESSED | TRANSACTION # |
|--------------------------------|---------|----------------|---------------|
| XL Specialty Insurance Company | \$50.00 | 10/08/2008     | 23042731      |

|                                 |  |                               |   |
|---------------------------------|--|-------------------------------|---|
| <i>SERFF Tracking Number:</i>   | <i>XLAM-125848113</i>                                | <i>State:</i>                 | <i>Arkansas</i>                                   |
| <i>Filing Company:</i>          | <i>XL Specialty Insurance Company</i>                | <i>State Tracking Number:</i> | <i>EFT \$50</i>                                   |
| <i>Company Tracking Number:</i> | <i>08SD-DO-DO07-MU-AR</i>                            |                               |   |
| <i>TOI:</i>                     | <i>17.0 Other Liability - Claims Made/Occurrence</i> | <i>Sub-TOI:</i>               | <i>17.0006 Directors &amp; Officers Liability</i> |
| <i>Product Name:</i>            | <i>Financial Services Liability Program</i>          |                               |   |
| <i>Project Name/Number:</i>     | <i>New Endorsement Filing/08SD-DO-DO07-MU-AR</i>     |                               |   |

## Correspondence Summary

### Dispositions

| <b>Status</b> | <b>Created By</b> | <b>Created On</b> | <b>Date Submitted</b> |
|---------------|-------------------|-------------------|-----------------------|
| Approved      | Edith Roberts     | 10/15/2008        | 10/15/2008            |

*SERFF Tracking Number:*      *XLAM-125848113*      *State:*      *Arkansas*  
*Filing Company:*      *XL Specialty Insurance Company*      *State Tracking Number:*      *EFT \$50*  
*Company Tracking Number:*      *08SD-DO-DO07-MU-AR*  
*TOI:*      *17.0 Other Liability - Claims Made/Occurrence*      *Sub-TOI:*      *17.0006 Directors & Officers Liability*  
*Product Name:*      *Financial Services Liability Program*  
*Project Name/Number:*      *New Endorsement Filing/08SD-DO-DO07-MU-AR*

## **Disposition**

Disposition Date: 10/15/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment: Note: Form XL 80 69 allows INSURED right to cancel pro rata for drop in insurer rating.

Rate data does NOT apply to filing.

SERFF Tracking Number: XLAM-125848113 State: Arkansas  
Filing Company: XL Specialty Insurance Company State Tracking Number: EFT \$50  
Company Tracking Number: 08SD-DO-DO07-MU-AR  
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0006 Directors & Officers Liability  
Product Name: Financial Services Liability Program  
Project Name/Number: New Endorsement Filing/08SD-DO-DO07-MU-AR

| Item Type           | Item Name  | Item Status | Public Access |
|---------------------|--|-------------|---------------|
| Supporting Document | Uniform Transmittal Document-Property & Casualty   | Approved    | Yes           |
| Supporting Document | Forms Description                                  | Approved    | Yes           |
| Form                | Amend Named Insured Endorsement                    | Approved    | Yes           |
| Form                | IDL Endorsement                                    | Approved    | Yes           |
| Form                | Scheduled Managed Accounts Endorsement             | Approved    | Yes           |
| Form                | Section IV Condition (A) Endorsement               | Approved    | Yes           |
| Form                | Successor-in-Interest Endorsement                  | Approved    | Yes           |
| Form                | Lenders Liability Endorsement                      | Approved    | Yes           |
| Form                | Amend Prior Acts Exclusion Endorsement             | Approved    | Yes           |
| Form                | Pending and Prior Proceeding Exclusion Endorsement | Approved    | Yes           |
| Form                | Amend Exclusion (G) Endorsement                    | Approved    | Yes           |
| Form                | Insurance Company Errors & Omissions Endorsement   | Approved    | Yes           |
| Form                | Rating Endorsement                                 | Approved    | Yes           |

SERFF Tracking Number: XLAM-125848113 State: Arkansas

Filing Company: XL Specialty Insurance Company State Tracking Number: EFT \$50

Company Tracking Number: 08SD-DO-DO07-MU-AR

TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0006 Directors & Officers Liability

Product Name: Financial Services Liability Program

Project Name/Number: New Endorsement Filing/08SD-DO-DO07-MU-AR

## Form Schedule

| Review Status | Form Name  | Form #    | Edition Date | Form Type Action                        | Action Specific Data | Readability | Attachment       |
|---------------|--|-----------|--------------|---|----------------------|-------------|------------------|
| Approved      | Amend Named Insured Endorsement                    | FD 80 284 | 07 08        | Endorsement New nt/Amendment/Conditions |                      | 0.00        | FD80284 0708.pdf |
| Approved      | IDL Endorsement                                    | FD 80 285 | 07 08        | Endorsement New nt/Amendment/Conditions |                      | 0.00        | FD80285 0708.pdf |
| Approved      | Scheduled Managed Accounts Endorsement             | FD 80 286 | 07 08        | Endorsement New nt/Amendment/Conditions |                      | 0.00        | FD80286 0708.pdf |
| Approved      | Section IV Condition (A) Endorsement               | FD 80 287 | 07 08        | Endorsement New nt/Amendment/Conditions |                      | 0.00        | FD80287 0708.pdf |
| Approved      | Successor-in-Interest Endorsement                  | FD 80 288 | 07 08        | Endorsement New nt/Amendment/Conditions |                      | 0.00        | FD80288 0708.pdf |
| Approved      | Lenders Liability Endorsement                      | FD 82 03  | 07 08        | Endorsement New nt/Amendment/Conditions |                      | 0.00        | FD8203 0708.pdf  |
| Approved      | Amend Prior Acts Exclusion Endorsement             | FD 83 151 | 07 08        | Endorsement New nt/Amendment/Conditions |                      | 0.00        | FD83151 0708.pdf |
| Approved      | Pending and Prior Proceeding Exclusion Endorsement | FD 83 152 | 07 08        | Endorsement New nt/Amendment/Conditions |                      | 0.00        | FD83152 0708.pdf |
| Approved      | Amend Exclusion                                    | FD 83 153 | 07 08        | Endorsement New                         |                      | 0.00        | FD 83 153        |

|                                 |  |                               |   |
|---------------------------------|--|-------------------------------|---|
| <i>SERFF Tracking Number:</i>   | <i>XLAM-125848113</i>                                | <i>State:</i>                 | <i>Arkansas</i>                                   |
| <i>Filing Company:</i>          | <i>XL Specialty Insurance Company</i>                | <i>State Tracking Number:</i> | <i>EFT \$50</i>                                   |
| <i>Company Tracking Number:</i> | <i>08SD-DO-DO07-MU-AR</i>                            |                               |   |
| <i>TOI:</i>                     | <i>17.0 Other Liability - Claims Made/Occurrence</i> | <i>Sub-TOI:</i>               | <i>17.0006 Directors &amp; Officers Liability</i> |
| <i>Product Name:</i>            | <i>Financial Services Liability Program</i>          |                               |   |
| <i>Project Name/Number:</i>     | <i>New Endorsement Filing/08SD-DO-DO07-MU-AR</i>     |                               |   |

  

|          |   |                |  |      |                       |
|----------|---|----------------|--|------|-----------------------|
|          | (G) Endorsement   |                | nt/Amendm<br>ent/Condi<br>ons                  |      | 0708.pdf              |
| Approved | Insurance<br>Company Errors<br>& Omissions<br>Endorsement | XL 83 84 07 08 | Endorseme New<br>nt/Amendm<br>ent/Condi<br>ons | 0.00 | XL8384<br>0708.pdf    |
| Approved | Rating<br>Endorsement                                     | XL 80 60 09 08 | Endorseme New<br>nt/Amendm<br>ent/Condi<br>ons | 0.00 | XL 80 60 09<br>08.pdf |



Endorsement No.:  
Named Insured:  
Policy No.:  
Coverage Part: General Terms and Conditions

Effective:  
12:01 A.M. Standard Time  
Insurer:

## AMEND NAMED INSURED ENDORSEMENT

In consideration of the premium charged, the term "Named Insured," as defined in Section II Definitions (H) of the General Terms and Conditions of the Policy, is amended to include the following entity(ies) scheduled below:

<additional named insureds>

All other terms, conditions and limitations of this Policy shall remain unchanged.

**Endorsement No.:**

**Named Insured:**

**Policy No.:**

**Coverage Part: Investment Fund Management and Professional Liability, Investment Advisers Management Liability**

**Effective:**

**12:01 A.M. Standard Time**

**Insurer:**

## IDL ENDORSEMENT

In consideration of the premium charged:

- (1) Item 3 of the Declarations is amended to include the following:  
  
“(h) \$ \_\_\_\_\_ Maximum Aggregate Limit of Liability each Policy Period (including Defense Expenses) for Independent Outside Directors under the Policy”
- (2) Section II General Conditions (A)(1) of the General Terms & Conditions of the Policy is amended to read in its entirety as follows:  
  
“(1) The amounts set forth in Items 3(a)-(f) of the Declarations shall be the Maximum Aggregate Limit of Liability for each Coverage Part shall be the Maximum Aggregate Limit of Liability of the Insurer under such Coverage Part for all Loss, including Defense Expenses, from all Claims made or deemed made under such Coverage Part during the Policy Period. Each such amount shall be part of, and not in addition to, the amount set forth in Item (3)(g) of the Declarations as the Maximum Aggregate Limit of Liability under the Policy for all Loss from all Claims for which this Policy provides coverage. Solely in the event of the exhaustion of the Limit of Liability set forth in Item 3(g) of the Declarations, then the amount set forth in Item 3(h) of the Declarations shall be the Maximum Aggregate Limit of Liability of the Insurer under this Policy solely with respect to Claims against any Independent Outside Director under the Coverage Part(s) applicable to this Policy. The amount set forth in Item 3(h) is in addition to, and not part of, the Insurer’s maximum aggregate Limit of Liability set forth in Item 3(g) of the Declarations.”
- (3) For the purposes of this Endorsement, the term “Independent Outside Director” means any independent/non-interested outside director of the Insured Entity or Adviser and those persons serving a functionally equivalent role for any Insured Entity or any Adviser operating or incorporated outside the United States.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.:  
Named Insured:  
Policy No.:

Effective:  
12:01 A.M. Standard Time  
Insurer:

**SCHEDULED MANAGED ACCOUNTS ENDORSEMENT**

In consideration of the premium charged:

- (1) For the purposes of this endorsement, the term “Scheduled Managed Accounts” means each account set forth below, but only with respect to Wrongful Acts committed or alleged committed by any Insured on or after the date set forth opposite each such account:

| <u>Account</u> | <u>Date</u> |
|----------------|-------------|
| <account name> | <DATE>      |

- (2) No coverage will be available under this Policy for any Claim made against any Insured based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any Wrongful Act in connection with a Scheduled Managed Account actually or allegedly committed prior to the date set forth opposite each such account.

All other terms, conditions and limitations of this Policy shall remain unchanged.

**Endorsement No.:**

**Named Insured:**

**Policy No.:**

**Coverage Part: Investment Fund Management & Professional Liability**

**Effective:**

**12:01 A.M. Standard Time**

**Insurer:**

## **SECTION IV CONDITION (A) ENDORSEMENT**

In consideration of the premium charged:

- (1) Section IV Condition (A) of the Coverage Part is deleted in its entirety.
- (2) Section II Definition (D)(2) of the Coverage Part is deleted in its entirety.

All other terms, conditions and limitations of this Policy shall remain unchanged.

**Endorsement No.:**  
**Named Insured:**  
**Policy No.:**  
**Coverage Part:**

**Effective:**  
**12:01 A.M. Standard Time**  
**Insurer:**

## SUCCESSOR-IN-INTEREST ENDORSEMENT

In consideration of the premium charged:

- (1) "Successor-in-Interest" means <NAME>.
- (2) The INSURING AGREEMENTS of the Coverage Parts specified above will also apply to damages, judgments, settlements or other amounts and Defense Expenses which the Successor-in-Interest is obligated to pay resulting solely from covered Claims made against the Named Insured, its Subsidiaries, any Mutual Fund (if the Mutual Fund Management and Professional Liability Coverage Part is part of this Policy), any Investment Fund (if the Investment Fund Management and Professional Liability Coverage Part is part of this Policy), or any Insured Persons of any of the foregoing, and the term "Loss" will be deemed to have been amended to include such damages, judgments, settlements or other amounts and Defense Expenses, subject to the Limits of Liability set forth in ITEM 3 of the Declarations and to all other terms, conditions and limitations of this Policy applicable to the definition of "Loss."
- (3) References to "Insured" in Section III. EXCLUSIONS (F) of the Investment Advisers Management Liability Coverage Part, Section III. EXCLUSIONS (F) of the Investment Advisers Professional Liability Coverage Part, Section III. EXCLUSIONS (G) of the Mutual Fund Management and Professional Liability Coverage Part and Section III. EXCLUSIONS (F) of the Investment Fund Management and Professional Liability Coverage Part will, with respect to any such Coverage Part which is part of this Policy, be deemed to have been amended to refer instead to "Insured or the Successor-in-Interest."
- (4) The retention applicable to Loss payable by the Named Insured, its Subsidiaries, any Mutual Fund (if the Mutual Fund Management and Professional Liability Coverage Part is part of this Policy) or any Investment Fund (if the Investment Fund Management and Professional Liability Coverage Part is part of this Policy) will apply to Loss which the Successor-in-Interest is obligated to pay resulting solely from covered Claims made against such Named Insured, Subsidiary, Mutual Fund or Investment Fund.
- (5) The certificate of incorporation, charter, by-laws, articles of association or other organizational or operational documents of the Successor-in-Interest will be deemed to provide indemnification to the Insured Persons to the fullest extent permitted by law.
- (6) References to "Insured" in Section II. GENERAL CONDITIONS (B) and (I) of the General Terms and Conditions will be deemed to have been amended to refer instead to "Insured or the Successor-in-Interest."
- (7) "References to "Named Insured" in Section II. GENERAL CONDITIONS (F) and (L) of the General Terms and Conditions will be deemed to have been amended to refer instead to "Successor-in-Interest."
- (8) The Successor-in-Interest will not itself be an Insured for purposes of any Coverage Part of this Policy; nor will any director, officer, partner, principal, member, trustee or employee of, or persons serving in a functionally equivalent role with respect to, the Successor-in-Interest be an Insured Person for purposes of any Coverage Part of this Policy.
- (9) It is understood that in the event that any provision of the Policy amended above is also amended in any other endorsement to the Policy, such endorsements will be read together so as to effect the purpose and intent of both endorsements.

All other terms, conditions and limitations of this Policy shall remain unchanged.

**Endorsement No.:**  
**Named Insured:**  
**Policy No.:**  
**Coverage Part: Investment Advisers Professional Liability**

**Effective:**  
**12:01 A.M. Standard Time**  
**Insurer:**

## LENDERS LIABILITY ENDORSEMENT

In consideration of the premium charged:

- (1) In addition to the coverage afforded pursuant to Section I Insuring Agreement of this Coverage Part, but subject to the maximum aggregate Limit of Liability set forth in Item 3(b) of the Declarations applicable to this Coverage Part and Item 3(g) applicable to all Claims under this Policy, and the provisions below, the Insurer shall pay on behalf of the Insureds Loss resulting from any Lender Liability Claim first made against the Insureds during the Policy Period, or if applicable, the Optional Extension Period, for Lender Liability Wrongful Acts.
- (2) The following terms shall have the meanings set forth below:
  - (a) "Lender Liability Wrongful Act" means any actual or alleged act, error or omission by an Insured, but only in connection with the actual or alleged performance of or failure to perform any of the following:
    - (i) the granting of any extension of credit on any terms or at any rate of interest;
    - (ii) the termination, cancellation, acceleration, withdrawal or failure to advance funds in connection with any extension of credit;
    - (iii) the foreclosure on, the taking possession of or assignment of, or the subordination of any collateral in connection with any extension of credit;
    - (iv) the releasing of or failure to release any information in connection with any extension of credit;
    - (v) the imposition of financial, business or management controls or requirements upon any customer of the Insured Entity to whom an extension of credit has been granted; or
    - (vi) the administration of any extension of credit.
  - (b) "Lender Liability Claim" means any Claim for a Lender Liability Wrongful Act.
- (3) The term "Wrongful Act," as defined in Section II Definitions, shall include any Lender Liability Wrongful Act.
- (4) No coverage shall be available under this Policy for any Claim:
  - (a) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving the actual or alleged extension of credit to any Insured or to any entity or organization owned or controlled by any Insured;
  - (b) by or on behalf of any holder of securities issued by the Adviser, including but not limited to any such holder bringing a representative class action or derivative action on behalf of the Adviser; provided that this exclusion will not apply to a Claim brought by or on behalf of a customer of the Adviser who is also a holder of securities issued by the Adviser to the extent that such Adviser is alleged to have committed a Lender Liability Wrongful Act with respect to such customer;
  - (c) for any actual or alleged liability under any contract or agreement; provided that this exclusion will not apply to liability which would attach to an Insured even in the absence of a contract or agreement.

- (5) The Insurer's maximum aggregate limit of liability for all Loss on account of all Lender Liability Claims first made during the Policy Period shall be the Limit of Liability under this Coverage Part as set forth in Item 3(b) of the Declarations, which Limit of Liability is applicable to all Loss under this Coverage Part.
- (6) With respect to any Lender Liability Claim, the Insurer shall only pay Loss which is in excess of the amount set forth in Item 4(c) of the Declarations as the Retention applicable to each Claim under this Coverage Part.
- (7) It is understood and agreed, that the Insurer shall not pay Loss, other than Defense Expenses, for any portion of a Claim seeking relief or redress in any form other than monetary damages.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.:  
Named Insured:  
Policy No.:  
Coverage Part: <LIST ALL APPLICABLE>

Effective:  
12:01 A.M. Standard Time  
Insurer:

## AMEND PRIOR ACTS EXCLUSION ENDORSEMENT

In consideration of the premium charged:

- (1) Solely with respect to Claims first made on or after the Effective Date of this Endorsement, Endorsement No. <PRIORACT END#> to this Policy shall be deleted in its entirety.
- (2) It is understood and agreed that with respect to Claims made on or after the Effective Date of this Endorsement, no coverage will be available under this Policy for Claims based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any fact, circumstance, situation, transaction, event or Wrongful Act which, before such Effective Date, was the subject of any notice given under any other financial services liability policy, <pick the coverage parts applicable – list all applicable: investment advisers management liability policy, investment advisers professional liability policy, mutual fund management and/or professional liability policy, investment fund management and/or professional liability policy, employment practices liability policy, pension and welfare benefit plan fiduciary liability policy> or similar policy.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.:  
Named Insured:  
Policy No.:  
Coverage Part: Mutual Fund Management & Professional Liability

Effective:  
12:01 A.M. Standard Time  
Insurer:

**PENDING & PRIOR PROCEEDING EXCLUSION  
ENDORSEMENT**

In consideration of the premium charged, no coverage shall be available under this Coverage Part for any Claim made against the Mutual Funds set forth below and such Mutual Fund's Insured Persons based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any fact, circumstance, situation, transaction, event or Wrongful Act underlying or alleged in any prior and/or pending litigation or administrative or regulatory proceeding which incepted prior to the Pending and Prior Proceeding Date set forth below next to such Mutual Fund's name:

| <u>Mutual Funds</u> | <u>Pending and Prior Proceeding Date</u> |
|---------------------|--|
| <insert name>       | <insert PPL date>                        |
| <insert name>       | <insert PPL date>                        |
| <insert name>       | <insert PPL date>                        |
| <insert name>       | <insert PPL date>                        |

Item 6(c) of the Declarations shall be deemed amend to achieve the purpose and intent of this Endorsement.

All other terms, conditions and limitations of this Policy shall remain unchanged.

**Endorsement No.:**

**Named Insured:**

**Policy No.:**

**Coverage Part: Investment Fund Management & Professional Liability**

**Effective:**

**12:01 A.M. Standard Time**

**Insurer:**

## **AMEND EXCLUSION (G) ENDORSEMENT**

In consideration of the premium charged, Section III Exclusions (G) of this Coverage Part is amended to read in its entirety as follows:

"for any actual or alleged liability of an Insured under any express contract or agreement; however, this EXCLUSION (G) will not apply to:

- (1) Defense Expenses incurred with respect to a Claim brought by a Portfolio Company alleging a failure to fund;
- (2) any Claim against an Insured brought by a client or customer of an Insured but solely if and to the extent that such Claim alleges a breach of contractual obligations in the rendering of or failure to render Professional Services, other than a Claim to which subparagraph (1) above applies; or
- (3) liability which would attach to an Insured even in the absence of a contract or agreement.

With respect to this EXCLUSION (G), an 'express contract or agreement' is defined as an actual agreement of the parties, the terms of which are openly set forth or declared at the time of making in clear or distinct language."

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.:  
Named Insured:  
Policy No.:

Effective:  
12:01 A.M. Standard Time  
Insurer:

## INSURANCE COMPANY ERRORS AND OMISSIONS ENDORSEMENT

In consideration of the premium charged:

- (1) Whenever used in this endorsement, the term "Insurance Contract" means any policy or agreement of insurance, reinsurance or indemnity, including but not limited to bonds, annuities, endowments, pension contracts and risk management self-insurance programs, pools or similar programs.
- (2) No coverage will be available under this Policy for Loss, including Defense Expenses, resulting from any Claim for:
  - (a) any actual or alleged refusal to offer, issue or renew, or the cancellation of, any Insurance Contract;
  - (b) any actual or alleged failure or refusal to pay or in the delay in the payment of, benefits due or alleged to have been due under any Insurance Contract;
  - (c) any actual or alleged lack of good faith or unfair dealing in the handling of any claim or obligation under any Insurance Contract, or in the brokering or underwriting of insurance policies or risks; or
  - (d) any actual or alleged conduct of the Company or of any Insured Person as an insurance agent or broker in the negotiation, placement or maintenance of any Insurance Contract.
- (3) Paragraph (2) above is not intended, nor shall it be construed, to apply to Loss, including Defense Costs, in connection with any Claim against an Insured to the extent that such Claim is:
  - (a) for a Wrongful Act by such Insured in connection with the management or supervision of any division, Subsidiary or group of the Parent Company offering any of the aforementioned services; or
  - (b)
    - (i) a Securities Claim brought by a securities holder of the Company, or
    - (ii) a derivative action brought by or on behalf of, or in the name or right of, the Company,and brought and maintained independently of, and without the solicitation, participation or intervention of, an Insured.
- (4) This Endorsement will not apply solely with respect to a Claim to which Insuring Agreement (A) applies.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.:  
Named Insured:  
Policy No.:

Effective:  
12:01 A.M. Standard Time  
Insurer:

## RATING ENDORSEMENT

In consideration of the premium charged, it is hereby agreed that notwithstanding anything in this policy that is contrary, this policy may be canceled by the Parent Company, if the Insurer's security rating is downgraded below an A.M. Best's rating of <FILL IN> and/or a Standard & Poor's rating of <FILLIN>.

Cancellation shall be effected by giving the Insurer written notice of the effective date of cancellation.

Any unearned premium by the Insurer will be computed pro rata and such return or tender of unearned premium will not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.

All other terms, conditions and limitations of this Policy shall remain unchanged.

|                                 |  |                               |   |
|---------------------------------|--|-------------------------------|---|
| <i>SERFF Tracking Number:</i>   | <i>XLAM-125848113</i>                                | <i>State:</i>                 | <i>Arkansas</i>                                   |
| <i>Filing Company:</i>          | <i>XL Specialty Insurance Company</i>                | <i>State Tracking Number:</i> | <i>EFT \$50</i>                                   |
| <i>Company Tracking Number:</i> | <i>08SD-DO-DO07-MU-AR</i>                            |                               |   |
| <i>TOI:</i>                     | <i>17.0 Other Liability - Claims Made/Occurrence</i> | <i>Sub-TOI:</i>               | <i>17.0006 Directors &amp; Officers Liability</i> |
| <i>Product Name:</i>            | <i>Financial Services Liability Program</i>          |                               |   |
| <i>Project Name/Number:</i>     | <i>New Endorsement Filing/08SD-DO-DO07-MU-AR</i>     |                               |   |

## Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: XLAM-125848113 State: Arkansas  
Filing Company: XL Specialty Insurance Company State Tracking Number: EFT \$50  
Company Tracking Number: 08SD-DO-DO07-MU-AR  
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0006 Directors & Officers Liability  
Product Name: Financial Services Liability Program  
Project Name/Number: New Endorsement Filing/08SD-DO-DO07-MU-AR

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-  
Property & Casualty

**Review Status:** Approved 10/15/2008

**Comments:**

**Attachments:**

NAIC Transmittal.pdf  
Form Filing Schedule.pdf  
Form Filing Schedule-page 2.pdf

**Satisfied -Name:** Forms Description

**Review Status:** Approved 10/15/2008

**Comments:**

**Attachment:**

Financial Services 10.8.08.pdf

# Property & Casualty Transmittal Document

|   |   |  |
|---|---|--|
| <b>1. Reserved for Insurance Dept. Use Only</b> | <b>2. Insurance Department Use only</b> |  |
|   | a. Date the filing is received:         |  |
|   | b. Analyst:                             |  |
|   | c. Disposition:                         |  |
|   | d. Date of disposition of the filing:   |  |
|   | e. Effective date of filing:            |  |
|   | New Business                            |  |
|   | Renewal Business                        |  |
|   | f. State Filing #:                      |  |
|   | g. SERFF Filing #:                      |  |
| h. Subject Codes                                |   |  |

|                      |                     |
|----------------------|---------------------|
| <b>3. Group Name</b> | <b>Group NAIC #</b> |
| XL America, Inc.     | 1285                |

| 4. Company Name(s)             | Domicile | NAIC # | FEIN #     | State # |
|--------------------------------|----------|--------|------------|---------|
| XL Specialty Insurance Company | DE       | 37885  | 85-0277191 |         |
|                                |          |        |            |         |
|                                |          |        |            |         |
|                                |          |        |            |         |
|                                |          |        |            |         |
|                                |          |        |            |         |
|                                |          |        |            |         |

|                                   |                           |
|-----------------------------------|---------------------------|
| <b>5. Company Tracking Number</b> | <b>08SD-DO-DO07-MU-AR</b> |
|-----------------------------------|---------------------------|

**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

| 6. Name and address  | Title                    | Telephone #s | FAX #        | e-mail                       |
|--|--------------------------|--------------|--------------|------------------------------|
| Patricia Pollard<br>1201 N. Market St, Suite 501<br>Wilmington, DE 19801 | State Filings Supervisor | 302-661-7059 | 302-778-4190 | Patricia.Pollard@xlgroup.com |
|  |                          |              |              |                              |

|   |                  |
|---|------------------|
| <b>7.</b> Signature of authorized filer         |                  |
| <b>8.</b> Please print name of authorized filer | Patricia Pollard |

**Filing information** (see General Instructions for descriptions of these fields)

|  |  |
|--|--|
| <b>9. Type of Insurance (TOI)</b>  | Other Liability  |
| <b>10. Sub-Type of Insurance (Sub-TOI)</b>   | Directors and Officers Management Liability  |
| <b>11. State Specific Product code(s) (if applicable)[See State Specific Requirements]</b> |  |
| <b>12. Company Program Title</b> (Marketing title)   | Financial Services Investment Fund Management Liability  |
| <b>13. Filing Type</b>   | <input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules<br><input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms<br><input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description) |
| <b>14. Effective Date(s) Requested</b>   | New: 11-30-2008      Renewal: 11-30-2008   |
| <b>15. Reference Filing?</b>   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |
| <b>16. Reference Organization</b> (if applicable)  |  |

|   |                    |
|---|--------------------|
| 20. This filing transmittal is part of Company Tracking # | 08SD-DO-DO07-MU-AR |
|---|--------------------|

XL Specialty Insurance Company submits for your review and approval new endorsements for use with our Financial Services Investment Fund Management Liability Program. These endorsements were developed in order to enhance the Management Liability product. A forms description is attached for your reference.

We propose an effective date of November 30, 2008.

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PC TD-1 pg 2 of 2  
F 777 (Ed. 3-07) Wolters Kluwer Financial Services | Uniform Forms™

Effective March 1, 2007

**\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

**FORM FILING SCHEDULE**

(This form must be provided ONLY when making a filing that includes forms)  
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

|           |   |  |   |  |   |
|-----------|---|--|---|--|---|
| <b>1.</b> | <b>This filing transmittal is part of Company Tracking #</b>  |  | <b>08SD-DO-DO07-MU-AR</b>   |  |   |
| <b>2.</b> | <b>This filing corresponds to rate/rule filing number</b><br>(Company tracking number of rate/rule filing, if applicable) |  |   |  |   |
| <b>3.</b> | <b>Form Name<br/>/Description/Synopsis</b>  | <b>Form #<br/>Include edition<br/>date</b> | <b>Replacement<br/>or<br/>Withdrawn?</b>  | <b>If replacement,<br/>give form #<br/>it replaces</b> | <b>Previous state<br/>filing number,<br/>if required by state</b> |
| 01        | Amend Named Insured<br>Endorsement  | FD 80 284 07 08                            | <input checked="" type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn |  |   |
| 02        | IDL Endorsement   | FD 80 285 07 08                            | <input checked="" type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn |  |   |
| 03        | Scheduled Managed<br>Accounts Endorsement   | FD 80 286 07 08                            | <input checked="" type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn |  |   |
| 04        | Section IV Condition (A)<br>Endorsement   | FD 80 287 07 08                            | <input checked="" type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn |  |   |
| 05        | Successor-In-Interest<br>Endorsement  | FD 80 288 07 08                            | <input checked="" type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn |  |   |
| 06        | Lenders Liability<br>Endorsement  | FD 82 03 07 08                             | <input checked="" type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn |  |   |
| 07        | Amend Prior Acts Exclusion<br>Endorsement   | FD 83 151 07 08                            | <input checked="" type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn |  |   |
| 08        | Pending and Prior<br>Proceeding Exclusion<br>Endorsement  | FD 83 152 07 08                            | <input checked="" type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn |  |   |
| 09        | Amend Exclusion (G)<br>Endorsement  | FD 83 153 07 08                            | <input checked="" type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn |  |   |
| 10        | Insurance Company Errors<br>& Omissions Endorsement   | XL 83 84 07 08                             | <input checked="" type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn |  |   |

**FORM FILING SCHEDULE**

(This form must be provided ONLY when making a filing that includes forms)  
 (Do not refer to the body of the filing for the forms listing, unless allowed by state.)

|           |   |  |   |  |   |
|-----------|---|--|---|--|---|
| <b>1.</b> | <b>This filing transmittal is part of Company Tracking #</b>  |  | <b>08SD-DO-DO07-MU-AR</b>   |  |   |
| <b>2.</b> | <b>This filing corresponds to rate/rule filing number</b><br>(Company tracking number of rate/rule filing, if applicable) |  |   |  |   |
| <b>3.</b> | <b>Form Name<br/>/Description/Synopsis</b>  | <b>Form #<br/>Include edition<br/>date</b> | <b>Replacement<br/>or<br/>Withdrawn?</b>  | <b>If replacement,<br/>give form #<br/>it replaces</b> | <b>Previous state<br/>filing number,<br/>if required by state</b> |
| 01        | Rating Endorsement  | XL 80 60 07 08                             | <input checked="" type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn |  |   |
| 02        |   |  | <input type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn            |  |   |
| 03        |   |  | <input type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn            |  |   |
| 04        |   |  | <input type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn            |  |   |
| 05        |   |  | <input type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn            |  |   |
| 06        |   |  | <input type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn            |  |   |
| 07        |   |  | <input type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn            |  |   |
| 08        |   |  | <input type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn            |  |   |
| 09        |   |  | <input type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn            |  |   |
| 10        |   |  | <input type="checkbox"/> New<br><input type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn            |  |   |

Financial Services Investment Fund Management Liability Program  
2008

| FORM<br>NUMBER | EDITION | Multi-state or<br>state specific | Form Type   | TITLE   | USAGE    | DESCRIPTION  | RATE IMPACT<br>FACTOR | REPLACES<br>FORM |
|----------------|---------|----------------------------------|---|---|----------|--|-----------------------|------------------|
| FD 80 284      | 07/08   | Multi                            | Financial<br>Services<br>Investment Fund<br>Management and<br>PL FD 7105<br>09/00 | Amend Named<br>Insured<br>Endorsement           | Optional | Additional Named<br>Insured Endorsement                                  | N/A                   | N/A              |
| FD 80 285      | 07/08   | Multi                            | Financial<br>Services<br>Investment Fund<br>Management and<br>PL FD 7105<br>09/00 | IDL<br>Endorsement                              | Optional | IDL coverage with<br>separate limit                                      | N/A                   | N/A              |
| FD 80 286      | 07/08   | Multi                            | Financial<br>Services<br>Investment Fund<br>Management and<br>PL FD 7105<br>09/00 | Scheduled<br>Managed<br>Accounts<br>Endorsement | Optional | Allows for separate prior<br>acts date for scheduled<br>managed accounts | N/A                   | N/A              |
| FD 80 287      | 07/08   | Multi                            | Financial<br>Services<br>Investment Fund<br>Management and<br>PL FD 7105<br>09/00 | Section IV<br>Condition (A)<br>Endorsement      | Optional | Deletes coverage for<br>newly created<br>investment funds                | N/A                   | N/A              |
| FD 80 288      | 07/08   | Multi                            | Financial<br>Services<br>Investment Fund<br>Management and<br>PL FD 7105<br>09/00 | Successor-in-<br>Interest<br>Endorsement        | Optional | Provides coverage for<br>successor-in-interest                           | N/A                   | N/A              |
| FD 82 03       | 07/08   | Multi                            | Financial<br>Services<br>Investment<br>Advisors and PL<br>FD 7105 09/00           | Lenders<br>Liability<br>Endorsement             | Optional | Provides lenders liability<br>coverage                                   | N/A                   | N/A              |

Financial Services Investment Fund Management Liability Program  
2008

|           |       |       |  |  |          |   |     |     |
|-----------|-------|-------|--|--|----------|---|-----|-----|
| FD 83 151 | 07/08 | Multi | Financial Services All coverage parts                              | Amend Prior Acts Exclusion Endorsement             | Optional | Amends original prior acts date   | N/A | N/A |
| FD 83 152 | 07/08 | Multi | Financial Services Mutual Fund Management and PL FD 7106 09/00     | Pending and Prior Proceeding Exclusion Endorsement | Optional | Specific mutual fund prior and pending litigation endorsement   | N/A | N/A |
| FD 83 153 | 07/08 | Multi | Financial Services Investment Fund Management and PL FD 7105 09/00 | Amend Exclusion (G) Endorsement                    | Optional | Amends contract exclusion   | N/A | N/A |
| XL 8384   | 07/08 | Multi | All  | Insurance Company Errors and Omissions Endorsement | Optional | Clarifies Ins Co E & O coverage intent and carves back SEC A side coverage                                    | N/A | N/A |
| XL 8060   | 09/08 | Multi | All  | Rating Endorsement                                 | Optional | Allows insured to cancel policy on a pro-rata basis if Co. rating is changed as described in the endorsement. | N/A | N/A |